

STATE OF MISSOURI
DEPARTMENT OF NATURAL RESOURCES

Jeremiah W. (Jay) Nixon, Governor • Sara Parker Pauley, Director

www.dnr.mo.gov

July 28, 2011

Mr. David Bleakley
Colt Energy, Inc.
4330 Shawnee Mission Parkway
Suite 233
Fairway, KS 66205-2522

RE: Special Project Request

Dear Mr. Bleakley:

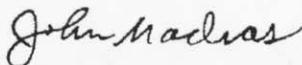
At the July 12, 2011 State Oil and Gas Council meeting held at the Missouri Department of Natural Resources' Kansas City Regional Office in Lee's Summit, MO, Colt Energy petitioned the Council for special project status for their Allen, North Rhoden and South Rhoden leases. The location of these leases are: Allen – southwest quarter of Section 28, T47N, R33W; North Rhoden – east half of Section 28, T47N, R33W; South Rhoden – east half of Section 33, T47N, R33W in Jackson County. State regulation 10 CSR 50-2.110 provides the Council authority to grant special consideration to operators who wish to develop projects aimed at producing the state's heavy oil reserves. Operators require a great deal of flexibility in developing well patterns, which include enhanced recovery injection wells, to produce this oil due to its physical properties.

After discussion by the Council, a motion was passed to grant this special project status request to Colt Energy for their Allen, North Rhoden and South Rhoden leases. Additional well permits may be applied for with locations determined at the discretion of your office as long as the well is not located within 165 feet of the boundary of the special project.

If you have any questions, please contact the office of the state geologist by mail at P.O. Box 250, Rolla, MO 65402; by phone at 573-368-2100; or by fax at 573-368-2111.

Sincerely,

STATE OIL AND GAS COUNCIL



John Madras, Chair

JM:jw

